

North Bay Hydro Distribution Limited
EB-2023-0042
January 12, 2024
OEB Staff Questions

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1-Staff-1

Ref: North Bay and Espanola Rate Zone Rate Zone IRM Rate Generator Model, Tab 11, 18, and 21

OEB staff has updated the North Bay Rate Zone IRM rate generator model for the following items:

1. Updated Uniform Transmission Rates ¹ (Sheet 11)
2. Updated Hydro One Sub-Transmission Rates (Sheet 11)²
3. Updated Wholesale Market Service Rate and Rural or Remote Electricity Rate Protection Charge³ (Sheet 18)
4. Updated Time of Use(TOU) RPP Prices and Percentages(Sheet 18)
5. Updated the Ontario Electricity Rebate (OER) (Sheet 21)

Question:

- a) Please confirm that the models attached to these interrogatories reflects these updates.

1-Staff-2

Ref: North Bay Rate Zone- Manager's Summary(Deferral and Variance Account Balances)p.9

References state that "The variance in cell "BW27" is due to a directionality error with respect to the calculation of carrying charges for Account 1586 – Connection. In 2022,

¹ EB-2023-0222, OEB Letter "2024 Preliminary Uniform Transmission Rates", issued September 28,

² EB-2023-0030, Partial Decision and Rate Order, December 14, 2023,

³ EB-2023-0268, Decision and Order, December 7, 2023,

\$4,666 in carrying charges should have been recorded as RSVA interest revenue with an offsetting increase (debit) to the carrying charges sub-account on the balance sheet. Instead, these costs were recorded as an RSVA interest expense with an offsetting decrease (CR) to the sub-account.”

Question:

- a) Please explain how North Bay Hydro identified the error and explain the nature of the adjustments in detail.
- b) Please confirm if the error pertains to 2022 only or if it will impact any other prior years. If yes, please provide the details regarding the periods that are impacted and the associated adjustments in the periods.
- c) Please describe North Bay Hydro's procedures implemented to prevent mistakes like those mentioned on page 9 of the Manager's summary above.

1-Staff-3

Ref 1: Espanola Rate Zone - Manager's Summary (Deferral and Variance Account Balances), p16

Ref 2: North Bay Hydro_2024 IRM Rate Generator Model_ERT_20231122 Tab 3

Staff notes that in the 2024 application, North Bay Hydro explained that it excluded accounts 1588 and 1589 in its request for disposition due to what it explained were variances in BW35 and BW36 where Data entry errors which it described, occurred when uploading information in the RRR filing”. North Bay Hydro consequently proposed that it will request for a RRR revision at a later date.

- a) Please clarify if the proposed RRR revision request will impact other accounts' balances since the BW35-36 mentioned referred to Accounts 1595 only.

1-Staff-4

Ref : Espanola Rate Zone Manager's Summary (Deferral and Variance Account Balances), p16

North Bay Hydro explained that during the 2023 IRM proceeding, the interrogatory process brought out to light potential issues and inaccuracies in the account balances of accounts 1588 and 1589 resulting in its withdrawal by North Bay Hydro to allow for a detailed review of these accounts.

In the 2024 IRM application, North Bay Hydro excluded these accounts which it explained, will allow it to “move forward with the continued review of the accounts”.

Question:

- a. Please confirm the status of the reconciliation of these accounts.
- b. Please clarify if the outcome of your reconciliation will likely result to retroactivity.

1-Staff-5

Staff notes that in the 2024 application, North Bay Hydro requested the OEB for a change in the name used in the Tariff of Rates and Charges header.⁴

OEB staff has appropriately updated the North Bay and Espanola Rate Zones' IRM rate generator models for the following items.

1. North Bay Rate Zone -Tab 20(Final Tariff sheet).
2. Espanola Rate Zone -Tab 20(Final Tariff sheet).

While the update is currently visible only on Tab 20, all required adjustments will be automatically reflected on Tabs 1, 2, and 20 in the subsequent IRM season.

Question:

- a. Please confirm that the models attached to these interrogatories reflects these updates.
- b. Please confirm if the update is in line with North Bay Hydro's request.

⁴ Manager's summary, p.4